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September 29, 2010

Mr. Darrell Nitschke Executive Secretary North Dakota Public Service Commission 600 East Boulevard, Dept. 408 Bismarck, ND 58505-0480

Re: Case No. PU-08-797: Updated Final Layout and Late-Filed Exhibits for Border Winds Wind Energy Project, Rolette County, North Dakota File 20071163.00

Dear Mr. Nitschke:

On behalf of Sequoia Energy U.S. Inc. (Sequoia), we are submitting an original and 10 copies of updated materials for the Border Winds Wind Energy Project. We are also emailing these materials to the North Dakota Public Service Commission (NDPSC) at ndpsc@nd.gov to provide an electronic submission. We have talked occasionally with staff analyst Jerry Lein about this project since the NDPSC hearing, which was held on November 3, 2009. With this letter we are submitting:

- 1. Three Exhibits of the updated Border Winds project layout, showing the updated layout in relation to existing residences, exclusion and avoidance areas, and previous turbine locations.
- 2. A table of turbine location adjustments that shows turbine identification numbers, geographic coordinates, distance of turbine adjustments, and distance to nearest homes.
- 3. Late-filed Exhibit 9, the Shadow Flicker Study, as discussed at the public hearing.
- 4. A response to U.S. Fish and Wildlife Service (USFWS) comments, which includes a request for further comments from the USFWS. The further comments would serve as late-filed Exhibit 12, as discussed at the public hearing.
- 5. The Class III Intensive Cultural Resources Survey final report, which we are also submitting to the North Dakota State Historical Society.
- 6. A Sequoia Energy Ten-Year Plan for 2010-2020, along with a Notice of Filing and certification that the plan is being filed with 21 state agencies and the county/ies in which projects would be located.

In compliance Chapter 49-22 of the North Dakota Century Code (Energy Conversion and Transmission Facility Siting Act), the turbine location adjustments will not change the relationship of the project to exclusion and avoidance areas. As explained in detail below, the only exclusion area affected is prime farmland. The project will have negligible effects on

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agricultural production due to the small acreage of prime farmland impacts. The only avoidance areas to be affected are wetlands and woodlands. These effects are unavoidable and have been minimized to the extent practicable. The small wetland and woodland impacts are necessary to connect roads and cables across drainages and tree lines that cross the project area. The project will comply with the conditions and protections previously discussed and accepted for this project.

Layout Revisions

Project designers made several adjustments to the layout of turbines, roads, and electrical collection cables between November 2009 and August 2010 to: (1) ensure turbines will be at least 1,640 feet (500 m) from residences, (2) optimize wind energy conversion, (3) minimize air navigation hazards, (4) reduce effects on wetlands and cultural resources, and (5) improve project compatibility with agricultural land use practices.

The net effect of the design revisions is improved compliance with regulations. The project still includes 66 proposed turbines and 10 alternate turbines. Eight previously considered turbine locations were eliminated and replaced with eight new turbine locations. Several access road alignments were adjusted to shorten road distances and limit agricultural field disturbance. The electrical cable route between Turbines F2 and R1 was revised to follow an existing county road right-of-way and avoid wetlands protected under a USFWS easement.

Exclusion Areas

Effects on exclusion areas have not changed since the public hearing on November 3, 2010. The only exclusion area to be affected will be prime farmlands. The prime farmland to be disturbed is of such small acreage that the impact on agricultural production will be negligible (i.e., less than 0.4% of the yearly production for the top five commodities in Rolette County). The following table provides an updated summary of exclusion areas present and project effects.

Exclusion Areas	In Project Area?	Affected by Project?	Notes
Designated or registered national areas: parks; memorial parks; historic sites and landmarks; natural landmarks; historic districts; monuments; wilderness areas; wildlife areas; wild, scenic, or recreational rivers; wildlife refuges; and grasslands	No	No	None in the project area. The nearest Waterfowl Production Area is outside the project area and 1.5 miles from proposed turbine locations.
Designated or registered state areas: parks; forests; forest management lands; historic sites; monuments; historical markers; archaeological sites; grasslands; wild, scenic, or recreational rivers; game refuges; game management areas; management areas; and nature preserves.	Yes	No	The Coghlan Castle is on the National Register of Historic Places (NRHP) and the St. John Border Station has been nominated for the NRHP. Both are located outside the project construction zone. Other registered areas are outside the project area.

Exclusion Areas	In Project Area?	Affected by Project?	Notes
County parks and recreational areas; municipal parks; parks owned or administered by other governmental subdivisions; hardwood draws; and enrolled woodlands.	No	No	None in the project area.
Prime farmland and unique farmland, as defined by the land inventory and monitoring division of the soil conservation service, United States department of agriculture, in 7 C.F.R. part 657.	Yes	Yes	About 51% of the project area is prime farmland. The project will affect less than 1% of the total prime farmland in the project area.
Irrigated land	No	No	None in the project area.
Areas critical to the life stages of threatened or endangered animal or plant species.	No	No	None in the project area.
Areas where animal or plant species that are unique or rare to North Dakota would be irreversibly damaged.	Yes	No	Rare plant species occurrence locations are at the western edge of the project area and will be avoided.

Avoidance Areas

Effects on avoidance areas have not changed since the public hearing on November 3, 2010. The only avoidance areas that will be affected are woodlands and wetlands. Woodland impacts will occur only where roads and electrical collection cables need to cross shelterbelts and tree lines. Wetlands will be avoided to the extent practicable and a U.S. Army Corps of Engineers wetland permit is pending. Wetlands protected by the USFWS on wetland easement lands will be avoided. The following table provides an updated summary of avoidance areas present and project effects.

Avoidance Areas	In Project Area?	Affected by Project?	Notes
Historical resources which are not designated as exclusion areas	Yes	No	Two archaeological sites are located near the construction area. A turbine access road was realigned to avoid one, a lithic scatter. The other, a railroad grade, will be crossed by a turbine access road in a location evaluated as not contributing to the NRHP.
Areas within the city limits of a city or the boundaries of a military installation	No	No	None in the project area.
Areas within known floodplains as defined by the geographical boundaries of the 100-year flood	No	No	None in the project area.
Areas that are geologically unstable	No	No	Geologically unstable areas will be avoided.

Avoidance Areas	In Project Area?	Affected by Project?	Notes
Woodlands and wetlands	Yes	Yes	Woodlands and wetlands will be avoided to the extent practicable. Impacts will be limited to areas where linear project features cross linear wetland or woodland corridors.
Areas of recreational significance which are not designated as exclusion areas	No	No	None in the project area.
Areas where animal or plant species that are unique or rare to this state would be irreversibly damaged.	Yes	No	A calcareous fen has been mapped at the western edge of the project area and will be avoided.

Anticipated Construction and Operation Schedule

Sequoia anticipates that project construction will start in the spring of 2011 and that the Border Winds project will be operational in the fall of 2011 or spring of 2012.

We look forward to working with the NDPSC to obtain the required certificate for the proposed Border Winds facility. If you have questions or require additional information, please contact me at (952) 906-7436 or rob.bouta@westwoodps.com.

Sincerely,

WESTWOOD PROFESSIONAL SERVICES

Robin P. Bouta, CSE, WDC Senior Environmental Scientist

Enclosures

cc: Ian Witherspoon, Sequoia Energy US Inc.

Jerry Lein, NDPSC

John Morrison, Crowley Fleck